AMENDED IN SENATE MAY 3, 2006 AMENDED IN SENATE MARCH 30, 2006

SENATE BILL

No. 1124

Introduced by Senator Torlakson

January 4, 2006

An act to amend Sections 24214, 44395, 44830, 69612, 69613, 70000, 70001, 70002, 70003, and 70004 of, to add and repeal Article 5 (commencing with Section 90540) to Chapter 11 of Part 55, and to repeal Section 70005 of, the Education Code, relating to teacher development, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1124, as amended, Torlakson. Teachers: recruitment, training, and retention.

(1) Existing law establishes the State Teachers' Retirement Plan and permits a retired member of the State Teachers' Retirement Plan to perform specified types of service without reduction in his or her retirement allowance and without reinstatement if the compensation for that service, in any one school year, does not exceed \$22,000, adjusted annually by the Teachers' Retirement Board by the percentage increase in the average earnable salary of active members of the Defined Benefit Program, as specified.

This bill would exempt from that postretirement compensation limitation a member retired for service if he or she is retired for a period of at least 6 months, as specified, and agrees to serve, *on an annual renewable contract*, as a mentor in a high-priority school, as defined.

(2) Existing law establishes the National Board for Professional Teaching Standards Certification Incentive Program to award grants to SB 1124 -2-

teachers who, among other things, have attained certification from the National Board for Professional Teaching Standards. Under the program, a teacher attaining a national board certification is eligible for an award of up to \$20,000 if he or she agrees to teach at a high-priority school for at least 4 years.

This bill, to the extent that funds are appropriated for this purpose in the annual Budget Act, and in order to defray the expense of attaining certification from the National Board for Professional Teaching Standards, would authorize the State Department of Education to provide state and federal funds to school districts for the purpose of providing awards to teachers who seek that certification, are employed by school districts or charter schools, and are assigned to teach in California public schools.

(3) Existing law requires the Commission on Teacher Credentialing to establish standards and procedures for the initial issuance and renewal of credentials, and prohibits the commission from initially issuing a credential, permit, certificate, or renewal of an emergency credential to a person unless that person passes the state basic skills proficiency test administered by the commission. Existing law exempts a certificated person from taking the state basic skills proficiency test if they were employed in a position requiring certification in any school district within 39 months prior to employment with the district or if he or she is a retired certificated employee who meets specified requirements.

This bill would delete those provisions and instead provide that a certificated person is not required to take the state basic skills proficiency test if he or she has taken and passed it at least once or possessed a credential prior to the enactment of the statute that made the test a requirement.

(4) Existing law establishes the Governor's Teaching Fellowship Program, which is administered by the Chancellor's office of the California State University. Existing law specifies the number and amount of nonrenewable graduate teaching fellowships that are to be awarded in January 2001, in September 2001, and during the 2001–02 fiscal year. Existing law requires, commencing with the 2002–03 fiscal year and each fiscal year thereafter, the number of fellowships awarded to be determined pursuant to an appropriation in the annual Budget Act. Existing law imposes on the chancellor's office specified duties relating to the operation of the fellowship program.

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Existing law establishes an intersegmental review committee to review all fellowship applications. Existing law also requires a fellowship recipient to agree to teach in a high-priority school for 4 consecutive years, within 4 years of the completion of his or her preparation program, and to repay the state \$5,000 annually, up to \$20,000, for each year he or she fails to complete the teacher preparation program or the required teaching service.

This bill would instead require the Student Aid Commission to administer the program and collaborate with the University of California, the California State University, the California Community Colleges, the Association of Independent California Colleges and Universities, the State Department of Education, and the Commission on Teacher Credentialing to ensure that access to the fellowship is available to specified students. The bill would require, in January 2007, 250 nonrenewable graduate teaching fellowships, in the amount of \$20,000 each, be awarded, as specified. The bill would require, during the 2007–08 fiscal year, 1,000 nonrenewable graduate teaching fellowships to be awarded, as specified. The bill would require, commencing with the 2008–09 fiscal year and each fiscal year thereafter, the number of fellowships awarded to be determined pursuant to an appropriation in the annual Budget Act.

The bill would impose specified duties relating to the operation of the fellowship program on the Student Aid Commission. The bill would require specified educational entities and, to the extent that it chooses to, the University of California, to establish a review and selection committee, as specified. The bill would prohibit a University of California student from receiving a fellowship award unless the University of California establishes a review and selection committee, as specified. The bill would require a fellowship recipient to agree to teach in a high-priority school for 3 consecutive years within 4 years of the completion of his or her preparation program, and would require the recipient to forfeit any future payments if he or she fails to complete any portion of his or her obligation to teach in a high-priority school for 3 years.

The bill would require the Student Aid Commission to provide an annual report to the Legislature on the fellowship program, as specified. The bill would delete the provisions authorizing the chancellor's office to adopt any rules and regulations it deems necessary for the administration of the program and recovery of funds. The bill would also delete the requirement that the rules and

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regulations include a provision that authorizes a specified civil penalty on a fellowship award recipient for failing to fulfill his or her obligation to teach in a high-priority school, as specified.

(5) Existing law establishes the California Center on Teaching Careers for the purposes of recruiting qualified and capable individuals into the teaching profession. Existing law requires the California Center on Teaching Careers to perform specified duties, including, among others, creating or expanding a referral database for qualified teachers seeking employment in the public schools.

This bill would establish the California Teacher Cadet Program and to be operated by the California Center on Teaching Careers in conjunction with the Superintendent of Public Instruction and the Chancellor of the California State University. The bill would require the California Center on Teaching Careers to develop a grant program that assists school districts in offering yearlong coursework designed to expose pupils to teaching careers and the education system through the development of a hands-on curriculum that includes specified elements. The bill would require a school district that participates in the California Teacher Cadet Program to receive, from funds appropriated for that purpose, a one-time grant of up to \$5,000 for the startup of the program at its schoolsite, as specified. The bill, subject to the availability of funding, would require the Commission on Teacher Credentialing to contract for an evaluation of this program and report to the Legislature, as specified, no later than January 1, 2010.

This bill would repeal the California Teacher Cadet Program on January 1, 2015.

- (6) The bill would make an appropriation of \$500,000 from the General Fund for the 2006–07 fiscal year for purposes relating to the California Teacher Cadet Program and would provide that for the purposes of making computations required by Section 8 of Article XVI of the California Constitution, the appropriation would be deemed to be "General Fund revenues appropriated to school districts," as defined in existing law, for the 2006–07 fiscal year and would be included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in existing law, for the 2006–07 fiscal year.
- (7) The bill would make related legislative findings and declarations, and declare the intent of the Legislature, as specified.

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The bill would also make conforming changes in related provisions of existing law.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the 2 following:

- (1) Today, more than 20,000 teachers in California are still underprepared and each day more than 400,000 pupils are being shortchanged by the serious lack of investment in recruiting, training, and retaining qualified teachers.
- (2) The shortage of qualified classroom teachers is growing throughout California, with recent teacher retirement and attrition projections indicating that California will need to recruit, train, and retain nearly 237,000 new teachers over the next 10 years.
- (3) The problem is particularly acute in low-performing, high-priority schools where a significant number of pupils fail to meet rigorous state and federal academic performance standards.
- (4) The rising costs of higher education, coupled with the shift in available financial aid from scholarships and grants to loans, has placed an increasing burden of long-term debt upon pupils. As a result, loan repayment options have become an increasingly important consideration in a pupil's decision to pursue a postsecondary education, especially for those pupils who are considering a career in teaching, which is not as lucrative as many private sector professions.
- (5) The availability of financial aid and loan repayment assistance are particularly important to economically disadvantaged pupils when making their educational and career decisions.
- (6) Recent research shows that teachers are more likely to be attracted to, and be more successful in schools that resemble the communities from which they came. The acute need for quality teachers in high-priority schools and districts is partly due to a lack of pupils from these communities entering the teaching profession.
- 32 (7) Quality teacher preparation programs, intensive 33 professional development, proper support, and critical

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 assessment during the beginning years of a teacher's career, are crucial to teacher quality and retention.

- (b) It is the intent of the Legislature, in addition to the provisions of this act, to do all of the following:
- (1) To enact a program that assigns willing teachers who have attained certification from the National Board for Professional Teaching Standards to high-priority schools, defined as schools ranked in any of deciles 1 to 3, inclusive, of the Academic Performance Index, as part of the program improvement plans for those schools.
- (2) To create a competitive grant program for institutions of higher education to collaborate with schools and local educational agencies in order to create and implement professional development schools for teacher education. The criteria for grant program awards shall include all of the following:
- (A) Preference for projects that incorporate into their plan, schools that include any or all of kindergarten and grades 1 to 12, inclusive, and that are—within the ranked in deciles 1 to 3, inclusive, of the Academic Performance Index.
- (B) Novice teachers shall be offered extensive hands-on experience in the classroom alongside experienced teachers, exposure to demonstration teachers, and consistent ongoing contact with informal mentors.
- (C) Preference for projects that share the responsibility for new teacher education by highlighting the collaboration between the faculty of institutions of higher education and the personnel of any school that includes any or all of kindergarten and grades 1 to 12, inclusive.
- SEC. 2. Section 24214 of the Education Code, as amended by Section 24 of Chapter 351 of the Statutes of 2005, is amended to read:
- 24214. (a) A member retired for service under this part may perform the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 as an employee of an employer, as an employee of a third party, or as an independent contractor within the California public school system, but the member may not make contributions to the retirement fund or accrue service credit based on compensation earned from that service.

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(b) The rate of pay for service performed by a member retired for service under this part as an employee of the employer may not be less than the minimum, nor exceed that paid by the employer to other employees performing comparable duties.

- (c) A member retired for service under this part may not be required to reinstate for performing the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5, as an employee of an employer, as an employee of a third party, or as an independent contractor within the California public school system.
- (d) A member retired for service under this part may earn compensation for performing activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 in any one school year up to the limitation specified in subdivision (f) as an employee of an employer, as an employee of a third party, or an independent contractor, within the California public school system, without a reduction in his or her retirement allowance.
- (e) (1) The postretirement compensation limitation provisions set forth in this section are not applicable to compensation earned by a member retired for service under this part who has returned to work after the date of retirement and has not, for a period of at least 12 consecutive months, performed the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 as an employee of an employer, as an employee of a third party, or as an independent contractor within the California public school system. For the purpose of this paragraph, the period of 12 consecutive months begins from the effective date of the most recent retirement of the member.
- (2) The postretirement compensation limitation provisions set forth in this section are not applicable to compensation earned for the performance of the activities described in subdivision (a) for which the employer is not eligible to receive state apportionment or to compensation that is not creditable pursuant to Section 22119.2.
- (f) (1) The limitation that shall apply to the compensation for performance of the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 by a member retired for service under this part either as

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an employee of an employer, an employee of a third party, or as an independent contractor, shall, in any one school year, be an amount calculated by the board each July 1 equal to twenty-two thousand dollars (\$22,000) adjusted by the percentage change in the average compensation earnable of active members of the Defined Benefit Program, as determined by the system, from the 1998–99 fiscal year to the fiscal year ending in the previous calendar year.

- (2) The postretirement compensation limitation set forth in paragraph (1) shall not apply to a member retired for service under this part, for a period of at least six consecutive months, who agrees to serve, *on an annual renewable contract*, as a mentor in a high-priority school.
- (A) For the purpose of this paragraph, the period of six consecutive months begins on the effective date of the member's most recent retirement.
- (B) For the purpose of this paragraph, a "high-priority school" means a school as defined in subdivision (b) of Section 70001.
- (g) If a member retired for service under this part earns compensation for performing activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 in excess of the limitation specified in subdivision (f), as an employee of an employer, as an employee of a third party, or as an independent contractor, within the California public school system, and if that compensation is not exempt from that limitation under subdivision (e) or any other provisions of law, the member's retirement allowance shall be reduced by the amount of the excess compensation. The amount of the reduction may be equal to the monthly allowance payable but shall not exceed the amount of the annual allowance payable under this part for the fiscal year in which the excess compensation was earned.
- (h) The amendments to this section enacted during the 1995–96 Regular Session shall be deemed to have become operative on July 1, 1996.
- 36 (i) This section shall be repealed on January 1, 2008, unless later enacted legislation extends or deletes that date.
- SEC. 3. Section 24214 of the Education Code, as amended by Section 23 of Chapter 912 of the Statutes of 2004, is amended to read:

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24214. (a) A member retired for service under this part may perform the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 as an employee of an employer, as an employee of a third party, or as an independent contractor within the California public school system, but the member may not make contributions to the retirement fund or accrue service credit based on compensation earned from that service.

- (b) The rate of pay for service performed by a member retired for service under this part as an employee of the employer may not be less than the minimum, nor exceed that paid by the employer to other employees performing comparable duties.
- (c) A member retired for service under this part may not be required to reinstate for performing the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5, as an employee of an employer, as an employee of a third party, or as an independent contractor within the California public school system.
- (d) A member retired for service under this part may earn compensation for performing activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 in any one school year up to the limitation specified in subdivision (f) as an employee of an employer, as an employee of a third party, or an independent contractor, within the California public school system, without a reduction in his or her retirement allowance.
- (e) The postretirement compensation limitation provisions set forth in this section are not applicable to compensation earned for the performance of the activities described in subdivision (a) for which the employer is not eligible to receive state apportionment or to compensation that is not creditable pursuant to Section 22119.2.
- (f) (1) The limitation that shall apply to the compensation for performance of the activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 by a member retired for service under this part either as an employee of an employer, an employee of a third party, or as an independent contractor, shall, in any one school year, be an amount calculated by the board each July 1 equal to twenty-two thousand dollars (\$22,000) adjusted by the percentage change in

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the average compensation earnable of active members of the Defined Benefit Program, as determined by the system, from the 1998–99 fiscal year to the fiscal year ending in the previous calendar year.

- (2) The postretirement compensation limitation set forth in paragraph (1) shall not apply to a member retired for service under this part, for a period of at least six consecutive months, who agrees to serve as a mentor in a high-priority school.
- (A) For the purpose purposes of this paragraph, the period of six consecutive months begins on the effective date of the member's most recent retirement.
- (B) For—the purpose purposes of this paragraph, a "high-priority school" means a school as defined in subdivision (b) of Section 70001.
- (g) If a member retired for service under this part earns compensation for performing activities identified in paragraphs (1) to (9), inclusive, of subdivision (a), or subdivision (b), of Section 22119.5 in excess of the limitation specified in subdivision (f), as an employee of an employer, as an employee of a third party, or as an independent contractor, within the California public school system, the member's retirement allowance shall be reduced by the amount of the excess compensation. The amount of the reduction may be equal to the monthly allowance payable but may not exceed the amount of the annual allowance payable under this part for the fiscal year in which the excess compensation was earned.
- (h) The language of this section derived from the amendments to the section of this number added by Chapter 394 of the Statutes of 1995, enacted during the 1995–96 Regular Session, is deemed to have become operative on July 1, 1996.
- (i) This section shall become operative on January 1, 2008.
- SEC. 4. Section 44395 of the Education Code is amended to read:
- 44395. (a) The National Board for Professional Teaching Standards Certification Incentive Program is hereby established to award grants to school districts for the purpose of providing awards to teachers who are employed by school districts or charter schools, are assigned to teach in California public schools, and have attained certification from the National Board for Professional Teaching Standards. Awards shall be granted to

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the extent that funds have been appropriated for this purpose in the annual Budget Act.

- (1) Any teacher who has attained certification from the National Board for Professional Teaching Standards is eligible to receive an award of up to twenty thousand dollars (\$20,000) if he or she agrees to teach at a high-priority school for at least four years. Teaching service before July 1, 2000, may not be counted towards satisfaction of this four-year commitment.
- (2) Awards granted pursuant to this subdivision shall be disbursed in annual payments of five thousand dollars (\$5,000) over a four-year period. The annual payment shall be made upon completion of the school year, and upon approval of a district-certified application pursuant to the guidelines of subdivision (c) of Section 44396.
- (b) In order to defray the expense of attaining certification from the National Board for Professional Teaching Standards, state and federal funds shall be provided to school districts for the purpose of providing awards to teachers who seek certification, are employed by school districts or charter schools, and are assigned to teach in California public schools. Awards shall be granted to the extent that funds have been appropriated for this purpose in the annual Budget Act.
- (c) The department shall administer the awards authorized by subdivisions (a) and (b), and shall develop, in consultation with the commission, certification and award information, criteria, procedures, and applications, all of which shall be submitted to the state board for approval. Amendments requested by the state board to that information, criteria, procedures, and applications shall be made before the dissemination of the material and the granting of any award under this article.
- (d) The department shall distribute the materials described in subdivision (c) to school districts. Each school district is strongly encouraged to ensure that teachers employed by the district or by charter schools affiliated with the district are informed about the program and can acquire the necessary application and information materials.
- (e) School districts are encouraged to provide for adequate release time and support for a teacher to complete the certification process. As a condition to providing that release

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time and support, a school district may require that a teacher serve in a mentor teacher capacity.

- (f) For purposes of this article, the following definitions apply:
- (1) "School district" means school district, county board of education, county superintendent of schools, a state operated program, including a special school, or an education program providing instruction in kindergarten or any of grades 1 to 12, inclusive, that is offered by a state agency, including the Division of Juvenile Justice of the Department of Corrections and Rehabilitation and the State Department of Developmental Services.
- (2) "High-priority school" means a school ranked in the deciles of deciles 1 to 3, inclusive, of the Academic Performance Index rankings established pursuant to subdivision (a) of Section 52056. This designation shall be determined as of the date of the agreement by the teacher described in paragraph (1) of subdivision (a).
- SEC. 5. Section 44830 of the Education Code is amended to read:
- 44830. (a) The governing board of a school district shall employ in positions requiring certification qualifications, only persons who possess the qualifications therefor prescribed by law. It is contrary to the public policy of this state for any person or persons charged, by the governing boards, with the responsibility of recommending persons for employment by the boards to refuse or to fail to do so for reasons of race, color, religious creed, sex, or national origin of the applicants for that employment.
- (b) A school district governing board shall not initially hire on a permanent, temporary, or substitute basis a certificated person seeking employment in the capacity designated in his or her credential, unless that person has demonstrated basic skills proficiency as provided in Section 44252.5 or is exempted from the requirement by subdivision (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), or (m).
- (1) The governing board of a school district, with the authorization of the commission, may administer the state basic skills proficiency test required under Sections 44252 and 44252.5.

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(2) The Superintendent, in conjunction with the commission and local governing boards, shall take steps necessary to ensure the effective implementation of this subdivision.

It is the intent of the Legislature that in effectively implementing this subdivision, school district governing boards shall direct superintendents of schools to prepare for emergencies by developing a pool of qualified emergency substitute teachers. This preparation shall include public notice of the test requirements and of the dates and locations of administrations of the tests. District governing boards shall make special efforts to encourage individuals who are known to be qualified in other respects as substitutes to take the state basic skills proficiency test at its earliest administration.

- (3) Demonstration of proficiency in reading, writing, and mathematics by any person pursuant to Section 44252 satisfies the requirements of this subdivision.
- (c) A certificated person is not required to take the state basic skills proficiency test if he or she has taken and passed it at least once or he or she possessed a credential prior to the enactment of the statute that made the test a requirement.
- (d) This section does not require a person employed solely for purposes of teaching adults in an apprenticeship program, approved by the Division of Apprenticeship Standards of the Department of Industrial Relations, to pass the state proficiency assessment instrument as a condition of employment.
- (e) This section does not require the holder of a child care permit or a permit authorizing service in a development center for the handicapped to take the state basic skills proficiency test, so long as the holder of the permit is not required to have a baccalaureate degree.
- (f) This section does not require the holder of a credential issued by the commission who seeks an additional credential or authorization to teach, to take the state basic skills proficiency test.
- (g) This section does not require the holder of a credential to provide service in the health profession to take the state basic skills proficiency test, if that person does not teach in the public schools.
- (h) If the state basic skills proficiency test is not administered at the time of hiring, the holder of a vocational designated subject

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credential who has not already taken and passed the state basic skills proficiency test may be hired on the condition that he or she will take the test at its next local administration.

- (i) If the holder of a vocational designated subject credential does not pass a proficiency assessment in basic skills pursuant to this section, he or she shall be given one year in which to retake and pass the proficiency assessment in basic skills. If at the expiration of the one-year period he or she has not passed the proficiency assessment in basic skills, he or she shall be subject to dismissal under procedures established in Article 3 (commencing with Section 44930).
- (i) This section does not require the holder of a vocational designated subject credential to pass the state basic skills proficiency test as a condition of employment. The governing board of each school district, or each governing board of a consortium of school districts, or each governing board involved in a joint powers agreement, that employs the holder of a vocational designated subject credential shall establish its own basic skills proficiency for these credentials and shall arrange for those individuals to be assessed. The basic skills proficiency criteria established by the governing board shall be at least equivalent to the test required by the district, or in the case of a consortium or a joint powers agreement, by any of the participating districts, for graduation from high school. The governing board or boards may charge a fee to individuals being tested to cover the costs of the test, including the costs of developing, administering, and grading the test.
- (k) This section does not require the holder of an adult education designated subject credential for other than academic subjects, who is employed in an instructional setting for 20 hours or less per week, to pass the state proficiency assessment as a condition of employment.
- (*l*) This section does not require certificated personnel employed under a foreign exchange program to take the state basic skills proficiency test. The maximum period of exemption under this subdivision shall be one year.
- (m) Notwithstanding any other law, a school district may hire a certificated teacher who has not taken the state basic skills proficiency test if that person has not yet been afforded the opportunity to take the test. The person shall take the test at the

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earliest opportunity and may remain employed by the district
pending the receipt of his or her test results.

- SEC. 6. Section 69612 of the Education Code is amended to read:
- 69612. (a) The Legislature finds and declares all of the following:
- (1) There is a growing shortage of high-quality classroom teachers, and there is a need for qualified teachers throughout California.
- (2) One of the most important elements in a pupil's success at learning is the quality of the teacher.
- (3) The teacher shortage is most serious in particular subject areas, partly due to the shortage of students in these fields who enter the teaching profession.
- (4) Many school districts have difficulty recruiting and retaining high-quality teachers for high-priority schools, for pupils with special needs, for schools serving rural areas or large populations of pupils from low-income and linguistic minority families, and for schools with a high percentage of teachers holding emergency permits.
- (5) The rising costs of higher education, coupled with a shift in available financial aid from scholarships and grants to loans, make loan repayment options an important consideration in a student's decision to pursue a postsecondary education.
- (6) The availability of financial aid and loan repayment assistance are important considerations for many students, especially economically disadvantaged students, in making their educational decisions.
- (b) It is, therefore, the intent of the Legislature that all of the following occur:
- (1) The Assumption Program of Loans for Education be designed to encourage persons to enter into the teaching profession in designated subject matter shortage areas and in schools serving large populations of pupils from low-income families, schools serving rural areas, schools with a high percentage of teachers holding emergency permits, or schools with any or all of these characteristics.
- 38 (2) That the enactment of this article accomplish all of the following:

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(A) Providing outstanding postsecondary students, particularly economically disadvantaged students, with the assurance of financial assistance to encourage them to complete postsecondary education programs leading to teaching credentials, and to seek employment as teachers.

- (B) Identifying subject matter areas or schools in which there are shortages of fully credentialed teachers and provide incentives for persons to obtain teaching credentials and seek teaching positions in those areas.
- (C) Identifying schools serving rural areas, schools serving large populations of students from low-income families, or both, and schools with a high percentage of teachers holding emergency permits, and provide incentives for persons to obtain teaching credentials and seek teaching positions in those schools.
- (D) Identifying high-priority schools and provide incentives for persons to obtain teaching credentials and seek teaching positions in those schools. For the purpose of this article, "high-priority For purposes of this article, "high-priority school" means a school ranked in the deciles of 1 to 3, inclusive, of the Academic Performance Index rankings established pursuant to subdivision (a) of Section 52056 at the time that a teacher is hired.
- (3) Commencing with the 2000–01 school year, all persons eligible to enter into agreements for loan assumption pursuant to this article shall be persons who need to complete training or coursework in order to be fully credentialed, and who agree to obtain a credential and teach in a designated subject matter shortage area or in a school that, at the time that the teacher is hired, meets any of the following criteria:
- (A) Serves a large population of pupils from low-income families.
- (B) Has a high percentage of teachers holding emergency permits. For the purposes of this article, a school with a "high percentage of teachers holding emergency permits" is a school in which 20 percent or more of the teachers hold emergency permits, teach pursuant to waivers of credential requirements, or are interns.
 - (C) Is a high-priority school.
- (4) Funding necessary for the administration of this article shall be included within the annual budget of the commission in

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1 an amount necessary to meet the student loan obligations 2 incurred by the commission.

- SEC. 7. Section 69613 of the Education Code is amended to read:
- 69613. (a) (1) Any person enrolled in an eligible institution may be eligible to enter into an agreement for loan assumption, to be redeemed pursuant to Section 69613.2 upon becoming employed as a teacher. In order to be eligible to enter into an agreement for loan assumption, an applicant shall satisfy all of the conditions specified in subdivision (b).
- (2) As used in this article, "eligible institution" means a postsecondary institution that is determined by the Student Aid Commission to meet both of the following requirements:
- (A) The institution is eligible to participate in state and federal financial aid programs.
- (B) The institution maintains a program of professional preparation that has been approved by the Commission on Teacher Credentialing.
- (b) (1) The applicant has completed at least 60 semester units, or the equivalent, and is enrolled in an academic program leading to a baccalaureate degree at an eligible institution, or has been admitted to a program of professional preparation that has been approved by the Commission on Teacher Credentialing.
- (2) The applicant is currently enrolled, or has been admitted to a program in which he or she will be enrolled on at least a half-time basis, as determined by the participating institution. The applicant shall agree to maintain satisfactory academic progress and a minimum of half-time enrollment, as defined by the participating eligible institution.
- (3) The applicant has been judged by his or her postsecondary institution to have outstanding ability on the basis of criteria that may include, but need not be limited to, any of the following:
 - (A) Grade point average.
- 34 (B) Test scores.
- 35 (C) Faculty evaluations.
- 36 (D) Interviews.
- 37 (E) Other recommendations.
- 38 (4) The applicant has received, or is approved to receive, a 39 loan under one or more of the following designated loan
- 40 programs:

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1 (A) The Federal Family Education Loan Program (20 U.S.C. 2 Sec. 1071 et seq.).

- (B) Any loan program approved by the Student Aid Commission.
- (5) The applicant has agreed to teach full time for at least four consecutive academic years after obtaining a teaching credential in a public elementary or secondary school in this state, in a subject area that is designated as a current or projected shortage area by the Superintendent, or at a school that, at the time that the teacher is hired, meets any of the following criteria:
- (A) It serves a large population of pupils from low-income families, as designated by the Superintendent.
- (B) It has 20 percent or more teachers holding emergency permits. For—the purposes of this paragraph, "teachers holding emergency permits" includes persons who teach pursuant to waivers of credential requirements or who are interns.
 - (C) It is a high-priority school.
- (c) No applicant who has completed fewer than 60 units, or the equivalent, shall be eligible under this section to participate in the loan assumption program set forth in this article.
- (d) The agreements entered into each year pursuant to subdivision (b) at each eligible institution or participating school district or county office of education shall be with applicants who meet the criteria specified in paragraph (3) of subdivision (b) of Section 69612 or agree to teach in any of the subject areas listed pursuant to that section. An agreement shall remain valid even if the subject area under which an applicant becomes eligible to enter into an agreement ceases to be a designated shortage field by the time the applicant becomes a teacher.
- (e) For-the purposes of calculating eligible years of teaching for the redemption of an award, the designation by the Superintendent of a newly-opened school pursuant to Section 52056 shall apply retroactively from the time of opening the school.
- 35 (f) A person participating in the program pursuant to this section shall not enter into more than one agreement.
- 37 SEC. 8. Section 70000 of the Education Code is amended to 38 read:
- 70000. (a) The Governor's Teaching Fellowships Program is hereby established to be administered by the Student Aid

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- 1 Commission. The Student Aid Commission shall collaborate
- 2 with the University of California, the California State University,
- 3 the California Community Colleges, the Association of
- 4 Independent California Colleges and Universities, the State
- 5 Department of Education, and the Commission on Teacher
- 6 Credentialing to ensure that access to the fellowships is available 7 to students in a variety of teaching preparation programs.

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- (b) In January 2007, 250 nonrenewable graduate teaching fellowships in the amount of twenty-five thousand dollars (\$25,000) each shall be awarded as follows:
- (1) Nine thousand dollars (\$9,000) shall be disbursed, pursuant to regulations established by the Student Aid Commission, to candidates who are enrolled in, and scheduled to complete, a teacher certification program at an accredited postsecondary educational institution in California.
- (2) Four thousand dollars (\$4,000) shall be disbursed in the first school year that the qualified teacher teaches in a high-priority school pursuant to subdivision (a) of Section 70003. Five thousand dollars (\$5,000) shall be disbursed to the qualified teacher in the second school year, and seven thousand (\$7,000) shall be disbursed in the third school year.
- (3) Each annual stipend shall be disbursed pursuant to regulations established by the Student Aid Commission.
- (c) During the 2007–08 fiscal year, 1,000 nonrenewable, graduate teaching fellowships in the amount of twenty-five thousand dollars (\$25,000) each shall be awarded and disbursed pursuant to subdivision (b).
- (d) Commencing with the 2008–09 fiscal year and each fiscal year thereafter, the number of fellowships awarded shall be determined pursuant to an appropriation in the annual Budget Act for this purpose.
- 32 SEC. 9. Section 70001 of the Education Code is amended to 33 read:
- 34 70001. (a) The Student Aid Commission shall have the 35 following duties:
- 36 (1) Developing an application process that establishes a 37 merit-based fellowship program for graduate students who agree 38 to teach at a high-priority school for three years.

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 (2) Establishing a broad and effective outreach effort to promote the availability and the merits of the fellowship program.

- (3) Conducting the selection process for fellowship applicants.
- (4) Developing and implementing a system for disbursing annual stipends and monitoring program participants through the completion of their three-year teaching obligation.
- (5) Determining the criteria for selecting teaching fellowship candidates. The criteria shall include, at a minimum, all of the following:
 - (A) Previous academic and employment record.
- 12 (B) A demonstrated commitment to serve in a high-priority 13 school.
 - (C) Evaluations from faculty, employers, or both.
 - (D) Interviews.
- 16 (E) Letters of recommendation.
 - (b) For-the purposes of this article, a "high-priority school" is a school-in ranked in the deciles of ranked in deciles 1 to 3, inclusive, of the Academic Performance Index rankings established pursuant to subdivision (a) of Section 52056. If a school meets this criteria at the time a teacher is hired, continued employment of the teacher at that school fulfills the commitment made by the teacher, even if the school improves its rank on the Academic Performance Index.
 - SEC. 10. Section 70002 of the Education Code is amended to read:
 - 70002. (a) A review and selection committee shall be established by each of the following educational entities that maintain accredited teacher preparation programs:
 - (1) The California State University.
 - (2) The Association of Independent California Colleges and Universities.
 - (b) (1) The review and selection committees established pursuant to subdivision (a), to the extent that a committee is established for this purpose, shall include a committee established by the University of California.
 - (2) A University of California student shall not be eligible to receive a nonrenewable graduate teaching fellowship pursuant to this article unless the University of California establishes a review and selection committee pursuant to subdivision (a).

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(c) Each committee shall consist of not less than two university faculty members, one administrator from higher education, one administrator and one elementary or secondary teacher from a school maintaining kindergarten or any of grades 1 to 12, inclusive.

- (d) Each committee shall recommend teaching fellowship candidates to the Student Aid Commission.
- SEC. 11. Section 70003 of the Education Code is amended to read:
- 70003. (a) A fellowship recipient shall agree to teach in a high-priority school for three consecutive years and shall have four years, upon completion of his or her preparation program, to meet that obligation. A fellowship recipient shall forfeit future payments if he or she fails to complete any portion of his or her obligation to teach in a high-priority school for three consecutive years.
- (b) Nonperformance of the commitment to teach in a high-priority school for three consecutive years shall be certified by the Commission on Teacher Credentialing to the Student Aid Commission.
- SEC. 12. Section 70004 of the Education Code is amended to read:
- 70004. The Student Aid Commission shall provide an annual report to the Legislature on the number of fellows receiving funding, the number of fellows completing credential programs and their three-year teaching obligation, the place of employment for each candidate, and anonymous evaluations by school principals of the effectiveness and impact on pupils by the fellows under their supervision.
 - SEC. 13. Section 70005 of the Education Code is repealed.
- SEC. 14. Article 5 (commencing with Section 90540) is added to Chapter 11 of Part 55 of the Education Code, to read:

Article 5. California Teacher Cadet Program

90540. The California Teacher Cadet Program is hereby established and shall be operated by the California Center on Teaching Careers in conjunction with the Superintendent of Public Instruction and the Chancellor of the California State University. The program is established for the purpose of

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1 introducing public secondary school pupils to the teaching 2 profession. The main purpose of the program is to encourage 3 high school pupils who possess a high level of academic 4 achievement and the personality traits found in good teachers to 5 consider a career in teaching.

90541. The California Center on Teaching Careers shall develop a grant program that assists school districts in offering yearlong coursework designed to expose pupils to teaching careers and the education system through the development of a hands-on curriculum that includes the following elements:

- (a) Classroom discussions led by the supervising teacher at the high school.
- (b) Hands-on activities designed to excite pupils about teaching.
 - (c) Observation and participation in public school classrooms.
 - (d) Interaction with successful administrators and teachers.
- (e) Opportunities for high school pupils to participate in classrooms by tutoring, interning, and observing classroom teaching.

90542. A school district that participates in the California Teacher Cadet Program shall receive, from funds appropriated for that purpose, a one-time grant of up to five thousand dollars (\$5,000) for the startup of the program at its schoolsite that will fund the development of the curriculum, purchase of materials, and the development of tutoring, internship, and observation options for the high school pupils enrolled in the California Teacher Cadet Program.

90543. Subject to the availability of funding, the Commission on Teacher Credentialing shall contract for an evaluation of this program and shall report to the Legislature no later than January 1, 2010. The evaluation should include interviews with program participants regarding their views on the value of the program and whether participation in the California Teacher Cadet Program has been instrumental in encouraging the selection of teaching as a major in college or as a career, and surveys of colleges and universities to determine whether there has been an increase in the number of pupils who have indicated an interest in preparing for a career in public education.

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90544. This article shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted becomes operative on or before January 1, 2015, deletes or extends that date.

- SEC. 15. (a) The sum of five hundred thousand dollars (\$500,000) is hereby appropriated from the General Fund for the 2006–07 fiscal year to be allocated as follows:
- (1) Twenty-five thousand dollars (\$25,000) to the State Department of Education for administrative costs associated with the allocation of startup grants to school districts for the California Teacher Cadet Program specified in Section 90540.
- (2) Seventy-five thousand dollars (\$75,000) to the California State University for the California Center on Teaching Careers for program development assistance and outreach services related to the California Teacher Cadet Program.
- (3) Four hundred thousand dollars (\$400,000) to the State Department of Education for allocation to school districts for the purposes associated with the startup costs of the California Teacher Cadet Program, in up to 100 schoolsites statewide.
- (b) For purposes of making computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (3) of subdivision (a) shall be deemed to be "General Fund revenues appropriated to school districts" as defined in subdivision (c) of Section 41202 of the Education Code for the 2006–07 fiscal year and be included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B" as defined in subdivision (e) of Section 41202 of the Education Code for the 2006–07 fiscal year.

33 CORRECTIONS:

34 Text — Pages 8, 10, and 20.